



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, SEPTEMBER 29, 1995

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**JUSTICE DEPARTMENT ALLOWS METAL BUILDING MANUFACTURERS ASSN.
TO REQUIRE APPLICANTS FOR MEMBERSHIP TO SHOW THEY HAVE
COMPLIED WITH A SAFETY CERTIFICATION PROGRAM**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division approved a proposal by the Metal Building Manufacturers' Association that will allow the association to require applicants for membership to demonstrate that they have complied with a safety certification program.

The Association's members manufacture metal building systems, or preassembled parts that form a building, rather than specific building components. Metal building systems have proven to be most successful for nonresidential low-rise buildings such as manufacturing plants, office parks, shopping malls and schools.

The Association wants to promote the use of metal buildings by sponsoring research on various safety issues related to metal buildings and working with governmental bodies that regulate the design and construction of such buildings.

The American Institute of Steel Construction evaluates the capability of a manufacturer to meet public safety requirements

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based on the manufacturer's engineering policies, practices, procedures and quality assurance and controls by hiring independent engineers to conduct on-site inspections. The certification program is open to all metal building systems manufacturers and is not restricted to Metal Building Manufacturers' Association members. The Institute is a separate organization that does not certify individual products, but does participate in technical programs related to fabricated steel construction.

The Department's position was stated in a business review letter to counsel from Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division.

Bingaman stated that "the proposal would not appear to have the effect of facilitating price collusion or reducing output." Moreover, she noted that because "membership in the Association was not necessary to compete successfully in the metal building systems" business, denial of membership to those firms that did not meet the American Institute of Steel Construction standards would not unreasonably restrict competition.

The Department also observed that the proposal might have procompetitive effects--to the extent the proposal increased safety or reduced the cost of compliance with differing local ordinances the proposal could result in increased output and greater consumer welfare.

Under the Department's business review procedure, an

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organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Suite 215, Liberty Place, 325 7th Street, N.W., Department of Justice, Washington, D.C. 20004. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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